Abstract of the Disclosure

The invention provides a method and system for trading loans in real time by making loan applications, such as home mortgage loan applications, and placing them up for bid by a plurality of potential lenders. A transaction server maintains a database of pending loan applications and their statuses; each party to the loan can search and modify that database consistent with their role in the transaction, by requests to the server from a client device identified with their role. Brokers at a broker station can add loan applications, can review the status of loan applications entered by that broker, are notified of lender's bids on their loans, and can accept bids by lenders. Lenders at a lender station can search the database for particular desired types of loans, can sort selected loans by particular desired criteria, can bid on loan applications, and are notified when their bids are accepted. Broker stations, lender stations, and the transaction server can be coupled using multiple access methods, including internet, intranet, or dial-up or leased communication lines. ~~The transaction server marks prospective loans in its~~ database by a variety of identifiers which might be of interest to lenders, including a loan amount, property location, property appraisal, borrower credit information, and potential CRA qualification for the property. The transaction server computes information about prospective loans which might be of interest to lenders, such as loan-to-value ratios, qualifying credit scores, and income classification for potential CRA qualification of the loan. The transaction server provides exogenous information which might be of interest to lenders and brokers for pricing loans, such as public bond market and other interest rate market news, as well as computed information regarding the pool of loans, such as current and past low, average, and high rates for a variety of loans traded using the

1   system. The transaction server provides for detecting substantially identical loan

2   applications originated by the same broker, so as to prevent double applications for the

3   same borrower, and also provides brokers and lenders each the capability for designat-

4   ing counterparties with whom they wish not to conduct business. The transaction

5   server is also supported by administration client/server devices for maintaining consis-

6   tency and integrity of the transactions and relationships between parties.

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